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Paper No. 61

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Software AG
v.
A-BAS, Inc.

Opposition No. 90,118
to application Serial No. 74/199,983
filed on September 3, 1991

Nelson Blitz of Odin, Feldman & Pittleman for Software AG.
John Blanchard, President of A-BAS, Inc., for applicant.

Before Sams, Cissel and Seeherman, Administrative Trademark
Judges.

Opinion by Cissel, Administrative Trademark Judge:

Applicant, a corporation organized and existing under the laws of Virginia, applied to register the mark "A-BAS" on the Principal Register for "computer software for use by accountants." The application was based on applicant's claim that it possessed a bona fide intention to use the mark in commerce.

Following publication of the mark in accordance with Section 12(a) of the Lanham Act, on December 9, 1992, a

timely notice of opposition was filed by Software AG, a corporation of the Federal Republic of Germany, hereinafter referred to as "SAG." As grounds for opposition, opposer alleged prior use (through its related company, Software AG of North America, hereinafter "SAGNA") and registration¹ of the mark "ADABAS" for computer programs; that opposer owns a well known family of trademarks, including "ADABAS," "ADABAS DL/I BRIDGE," "ADABAS FASTPATH," "ADABAS TEXT RETRIEVAL," "ADABAS TPF," "ADABAS HPE," "ADABAS TFP/GCS," and "ADABAS HPE/GCS"; and that applicant's proposed mark, if used in connection with the goods set forth in the application, would so resemble opposer's marks that confusion would be likely. Additionally, opposer pleaded that at the time the application was filed, applicant lacked the bona fide intention to use the mark in commerce in connection with the specified goods.

In answer to the notice of opposition, applicant denied that confusion would be likely and denied that it lacked the bona fide intention to use the mark when the application to register it was filed. Additionally, applicant charged that opposer should not be allowed to prevail in this proceeding because opposer has unclean hands.

¹Reg. No. 1,523,251 issued to opposer on February 7, 1989, but was cancelled under Section 8 of the Act on August 14, 1995, well after the close of the testimony period for opposer.

A trial was conducted in accordance with the Trademark Rules of Practice. Both parties filed briefs,² but no oral hearing was requested.

The record in this proceeding includes the following: the application file of the opposed application, automatically of record pursuant to Trademark Rule 2.122(b)(1); the testimonial deposition, with exhibits, of Michael Schiff, the director of the data management program for SAGNA; the testimonial deposition, with exhibits, of applicant's president, John Blanchard; opposer's pleaded registration and a number of copies of published articles about opposer's "ADABAS" product, all of record by means of opposer's notices of reliance; and the affidavit of Nelson Blitz, counsel for opposer, of record by stipulation of the parties.

Although the testimony period for applicant, originally set to close on November 11, 1993, was twice extended, first to May 20, 1995 and then to September 10, 1996, applicant never did properly make of record any evidence or testimony. Applicant did submit with its brief two "exhibits" which it argues should be included in the record, but opposer has objected to the Board's consideration of these materials.

²Applicant filed an addendum to its brief on January 27, 1997, to which opposer has objected. Trademark Rule 2.128 allows the defendant thirty days from the date on which plaintiff's brief is filed in which to file its own brief. Opposer's brief was filed on December 24, 1996, but applicant's brief was not filed within thirty days of that date, so it was not timely filed. Opposer's objection to it is accordingly sustained. We have not considered the addendum or the attachments to it.

The brief, although filed ahead of the time scheduled for its submission, was accepted by the Board, but ruling on opposer's objections to the attached evidence was deferred until now.

Opposer's objection is sustained. Part of applicant's problems in this proceeding may stem from the fact that it was not represented by an attorney. Instead, Mr. Blanchard, who is the president and sole employee of applicant, represented his corporation. Despite repeatedly being advised of the need to comply with the Trademark Rules of Practice throughout the pendency of this proceeding, he did not follow any of the procedures established by the rules to get these materials into the record in this case. Applicant argues that Exhibit 1 was submitted into evidence with a proper notice of reliance on April 24, 1995, and that Exhibit 2 was "presented" to opposer during applicant's testimony period without objection from opposer. The file for this proceeding contains no record of an April 24, 1995 notice of reliance or its service on opposer, however, and the mere presentation of applicant's materials to opposer, even if done during applicant's testimony period, does not make them of record. Additionally, submitting these materials to the Board for the first time with applicant's brief was manifestly untimely. The record was closed with the conclusion of the testimony periods.

In summary on this point, we agree with opposer that applicant failed to comply with the Trademark Rules of

Practice in its attempts to introduce testimony or evidence into the record in this proceeding. We therefore have not considered applicant's submissions with its brief.

There is absolutely no evidence in support of the equitable defense pleaded by applicant, so the charge that opposer has unclean hands has not been established. As opposer points out, even if applicant had shown by competent evidence or testimony that opposer itself or its related company seeks to use and register the mark "A-BAS" for computer software, this would not establish that opposer is barred in the instant proceeding by the equitable doctrine of unclean hands, because opposer and its related company have every right to adopt and try to register such a mark, even though it is similar to the "ADABAS" mark opposer already owns and uses. Applicant provides neither logical nor evidentiary support for its claim.

The evidence and testimony presented by opposer, on the other hand, shows that opposer is entitled to judgment in its favor on at least the claim it pleaded under Section 2(d) of the Act. Accordingly, we need not reach a conclusion as to whether applicant had a bona fide intention to use the mark when the application was filed.

In considering the claim based on priority and likelihood of confusion first, we find that even though opposer's pleaded registration of "ADABAS" for "computer programs" has been cancelled for failure to file the required affidavit under Section 8 of the Act, opposer has

proved its prior use of the mark on computer programs for managing finances by means of the testimony and exhibits of Mr. Schiff. Long before applicant filed its application based on the assertion that it intended to use its mark, opposer had used its mark on products which are essentially the same as the goods set forth in the opposed application. The testimony of Mr. Schiff and Exhibit 20 to it, for example, establish that in July of 1973 opposer contracted with Massachusetts Mutual Life Insurance Company for the provision of the ADABAS financial management database management system software.

Applicant's goods are the same as some of the products on which opposer has used its mark. The record shows that some of opposer's computer programs are in fact used for accounting purposes, just like the goods specified in the opposed application would be.

In view of opposer's prior use and the overlap of the goods on which opposer has used its mark with the goods set forth in the application, the only remaining question with respect to the issue of the likelihood of confusion under Section 2(d) of the Act is whether, as used on similar computer software, applicant's mark, "A-BAS," so resembles opposer's mark, "ADABAS," that confusion is likely. Based on this record and the applicable legal precedents, we hold that it does.

In comparing the marks, we have considered the similarity of the marks in their entireties as to

appearance, sound, and commercial impression, as well as the fame of the prior mark.

Opposer pleaded ownership of a well known family of marks based on its "ADABAS" mark, but this was not established by evidence or testimony. Mr. Schiff mentioned products sold under two other marks, "ADABAS STAR" and "ADABAS FASTBACK," (p.38 of his testimony), and the price list for opposer's products for 1993, (exhibit 16), shows a number of products identified with marks combining "ADABAS" with other words and/or numbers, but there is neither evidence nor testimony that these marks are used and promoted as a family, so opposer's claim of a family of marks is not a basis for our decision. U.S. Plywood-Champion Papers Inc. v. Novagard Corporation, 179 USPQ 561 (TTAB 1973).

There is testimony and evidence that applicant's "ADABAS" mark has been in widespread use for a long time, however, and that it is very well known in the computer field. Even Mr. Blanchard acknowledged that he was aware of opposer's mark. In fact, he testified that it is "a well established and well respected name in the software industry." (p. 8 of his testimony). Further, he claimed that he added the hyphen to his mark in order to avoid any confusion with opposer's mark.

In our opinion, he did not achieve his objective. When we consider the marks in their entirety, especially in light of the well known stature of opposer's mark, they are

similar. They create similar commercial impressions because of similarities in their appearances and their pronunciations. Applicant's mark is essentially opposer's mark with a hyphen in place of the two letters "D" and "A." We do not necessarily adopt opposer's argument that the hyphen in applicant's mark would be understood as a symbol for the place where these two letters have been omitted. While we acknowledge that these two marks are not identical, we find nonetheless that their similarities in appearance and pronunciation result in their creating similar commercial impressions in connection with these software products.

In view of this fact and the aforementioned identity of the goods and opposer's priority, opposer is entitled to judgment in its favor on the claim under Section 2(d) of the Act. Any doubt on this issue would necessarily be resolved in favor of opposer as the prior user. In re Hyper Shoppes (Ohio), 837 F.2d 463, 6 USPQ2d 1025 (Fed. Cir. 1988). As noted above, because opposer is entitled to judgment on this basis, resolution of the pleaded issue that applicant did not intend to use the mark at the time the application was executed is not necessary.

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Accordingly, the opposition is sustained and
registration to applicant is refused.

J. D. Sams

R. F. Cissel

E. J. Seeherman
Administrative Trademark Judges,
Trademark Trial & Appeal Board